



MARAD Update



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Maritime Administrator and Deputy Maritime Administrator Witness Firsthand Booming Business on Great Lakes

Highlights Growth of Great Lakes Shipping and Its Role in Moving the American Economy

"A rapidly growing shipping business on the Great Lakes could spell even better news for America's growing economy," Maritime Administrator Captain William G. Schubert said during recent visits to Great Lakes ports Cleveland, Toledo, and Erie. During October, he went to see how the ports and ships flying the U.S. flag are handling business from increased shipments of various commodities moving in and out of the Great Lakes region.

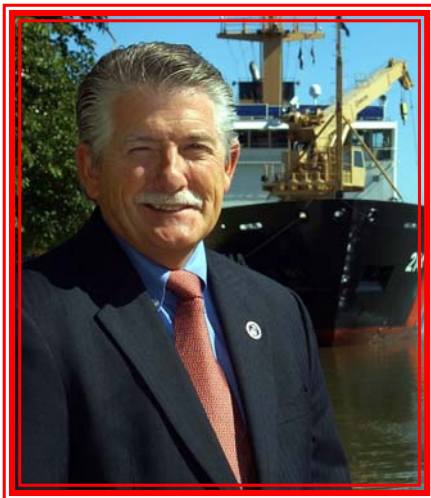
According to the Lake Carriers Association, approximately 5.2 million tons of limestone were shipped from U.S. ports in August, up almost one million tons from 2003. Additionally, iron ore shipments on the Great Lakes remained strong with movement of 18 million tons for the year, up 19 percent from last year's totals.

"Business is booming on the Great Lakes, and the products moving on U.S.-flag vessels are helping to move the American economy forward," said Deputy Maritime Administrator John Jamian who visited the Ports of Milwaukee and Green Bay. "Road builders need more limestone and steel mills need more iron ore. The commodities traveling on Great Lakes ships are vital if we are to meet the increased

demands of our manufacturing industry. This is good news for the Great Lakes and great news for America's strengthening economy."

During their tours, both Captain Schubert and Mr. Jamian cited the importance of the Department of Transportation's SEA 21 initiative, which would provide the resources to help local ports meet their growing infrastructure needs and better handle increased business. "We are committed to investing in the future of our ports to ensure the seamless flow of commerce so that we may continue to compete in the global market," said Schubert. SEA 21 will focus on leveraging funds from federal, state, and local governments, as well as the private sector to address the capital needs of the Marine Transportation System.

Additionally, the Maritime Administrator and Deputy Maritime Administrator discussed the importance of the Short Sea Shipping initiative, which will move more heavy-duty traffic off the road and onto ships. "It makes good sense to make better use of our seaways and waterways as domestic transportation solutions," Deputy Administrator Jamian said.



Maritime Administrator Schubert at the Port of Toledo

Photo Courtesy of The Toledo Blade



Aboard the Ferry Lake Express in the Port of Milwaukee

Left to Right: Floyd Miras, Senior Representative, Great Lakes Region, MARAD; Eric Reinelt, Acting Port Director, Port of Milwaukee; Mark Crutcher, Captain, Ferry Lake Express; John Jamian, Deputy Maritime Administrator

*Photo by Wes Irvin
Office of Congressional and Public Affairs*

**Associate Administrator's Message****James E. Caponiti****The Importance of the Maritime Security Program**

On November 24, 2003, the President signed the National Defense Authorization Act for Fiscal Year 2004, which includes a ten-year \$1.734 billion reauthorization of the Maritime Security Program (MSP). In reauthorizing MSP, and by expanding the fleet from its current 47 ships to 60, Congress recognized the importance of this program, which helps assure a continuing U.S.-flag presence in international trade.

MARAD provides financial assistance to qualified MSP companies that operate their vessels in international trade and commit ships, capacity, and intermodal resources to the Voluntary Intermodal Sealift Agreement (VISA) program. These MARAD programs provide the Department of Defense assured access to commercial sealift capability, and they provide employment to U.S.-citizen mariners who crew MARAD's Ready Reserve Force and the Military Sealift Command's surge sealift vessels. In addition, the reauthorization calls for the construction of five militarily useful product tankers in U.S. shipyards, thereby providing a significant boost to commercial shipbuilding in the United States.

On October 15, 2004, MARAD received applications from 142 companies for 25 ships. After reviewing the applications, MARAD and the U.S. Transportation Command will select the 60 most militarily useful and commercially viable ships. Approved applicants will be notified on January 12, 2005, and MSP agreements are scheduled to be executed January 24-28, 2005.

MARAD's Ready Reserve Force Continues Exemplary Performance During Fiscal Year 2004

By William F. Trost, Director,
Office of Ship Operations

During fiscal year 2004, the Maritime Administration's (MARAD) Ready Reserve Force (RRF) continued its excellent record of critical mission support to the Department of Defense (DOD) and overall performance. The RRF achieved almost 4800 days of full operational support in the fiscal year, which is equal to more than 13 ships fully crewed and operational on any given day. So while the RRF is part of the federal inactive fleet held in reserve for surge sealift support to DOD, it is far from inactive.

During its operation in fiscal year 2004, the fleet averaged 99 percent reliability as a result of the strong partnership between MARAD, our RRF ship managers, the sea-going labor unions, and the U.S. ship repair industry. The overall readiness also continued its recent high standards as all seven ships subject to DOD no-notice or turbo activations met their prescribed readiness timelines and conducted successful sea trials. As we enter a new fiscal year and sealift for OPERATION IRAQI FREEDOM continues, MARAD and the RRF remain ready and prepared to support our critical national security missions in Iraq and other missions around the globe and at home.

Upcoming Events

Containerization and Intermodal Institute
2004 Connie Awards Honoring Nicola Arena and Charles Raymond

Newark, NJ
December 9, 2004
(732) 817-9131

World Research Group
Maritime Port and Cargo Security Summit

San Diego, CA
January 25-26, 2005
www.worldrg.com

If you know of an upcoming event you would like published in the *MARAD Update*, please submit it to Ella Thomas at ella.thomas@marad.dot.gov.

DOT's Emergency Support for 2004 Federal Hurricane Response

By Floyd Miras, Great Lakes Region

This summer, the U.S. Department of Transportation's (DOT) Region V Emergency Support Team answered a call to help relieve and bolster the DOT's Region IV Emergency Support Team providing emergency supplies to hurricane-maimed Florida. The DOT was responding to a mission assignment from the Federal Emergency Management Agency (FEMA) to deliver emergency relief supplies to hurricane victims. The DOT performs this action as Emergency Support Function 1 under the Federal Response Plan.

An operations staging area was established at the Jacksonville, Florida, Naval Air Station. From this federal staging area, relief commodities were delivered to state staging areas located in local communities affected by the storms. Main relief supplies included water, ice, MRE's (meals ready to eat), and generators. The DOT team worked with FEMA, the U.S. Army Corps of Engineers, USDA Forest Service, and a distribution contractor to perform

the mission. DOT contracted with Landstar to move truckloads of supplies to the state staging areas. Landstar contracted with U.S. Xpress and other companies for additional resources.

As of September 15, more than 25.1 million pounds of emergency supplies in nearly 700 truckloads had been shipped from the Jacksonville staging area.

Floyd Miras, MARAD's Great Lakes Region, responded to the call as a member of the DOT Region V Emergency Response Team. Floyd was initially assigned to a staging area in a regional airport in Lakeland, Florida; however, the projected path of Hurricane Ivan caused evacuation and re-assignment to the Jacksonville staging area. Returning to the office after the two-week hurricane response effort, Floyd stated, "I was proud to do my part as a member of the DOT team assisting the hurricane-battered citizens of the state of Florida."



*The night shift of the DOT
Emergency Support Team*

*Left to Right: Ron Gressel,
FHWA; Lynette DuPree, FAA;
Floyd Miras, MARAD*



As an agency of the U.S. Department of Transportation, the Maritime Administration's (MARAD) mission is to strengthen the U.S. maritime transportation system—including infrastructure, industry, and labor—to meet the economic and security needs of the nation. MARAD programs promote the development and maintenance of an adequate, well-balanced United States merchant marine, sufficient to carry the Nation's domestic waterborne commerce and a substantial portion of its waterborne foreign commerce, and capable of service as a naval and military auxiliary in time of war or national emergency. MARAD also seeks to ensure that the United States maintains adequate shipbuilding and repair services, efficient ports, effective intermodal water- and land-transportation systems, and reserve shipping capacity for use in time of national emergency.

In Honor of All Merchant Marine Veterans

Every man in this Allied command is quick to express his admiration for the loyalty, courage, and fortitude of the officers and men of the Merchant Marine. We count upon their efficiency and their utter devotion to duty as we do our own; they have never failed us yet and in all the struggles yet to come we know that they will never be deterred by any danger, hardship, or privation. When final victory is ours there is no organization that will share its credit more deservedly than the Merchant Marine.

Dwight D. Eisenhower, General of the Army, World War II

Congressman C.W. Bill Young Receives First Annual Congressional/Sea Services Award

By Elvira May, Office of Congressional and Public Affairs

On September 24, the National Capital Council of the Navy League of the United States honored Congressman C.W. Bill Young for his outstanding contributions to the sea services of the United States—the U.S. Navy, U.S. Marine Corps, U.S. Coast Guard, and U.S. Merchant Marine.

The First Annual Congressional/Sea Services Award was presented at the Rayburn House Office Building in Washington, D.C., by Robert Ostrom, Chief Counsel of the Maritime

The Binnacle



Administration. Ostrom noted the long and distinguished public service history of Congressman Young, and presented him with a replica binnacle as a token of appreciation. (A binnacle is a stand of brass or non-magnetic

material for holding a compass as well as illuminating and compensating units, which is placed near the helm of a ship.) A restored authentic binnacle was loaned by MARAD to the Navy League, as outlined in a MARAD Historic Artifacts Loan Agreement, and it will be on public display at either a Navy League facility or at a public location determined by the Navy League. The first location is Congressman Young's office. The restored binnacle came from MARAD's Western Region's warehouse.



Left to Right: Mack Gaston, President of National Capital Council, Navy League of the United States; Congressman Young; Sheila McNeill, National President, Navy League of the United States; Robert Ostrom, Chief Counsel, Maritime Administration

Ostrom added, "As a representative of the Tenth Congressional District of Florida, Congressman Bill Young clearly understands the importance of building and maintaining a healthy maritime industry. He has been instrumental in providing jobs in the maritime industry—well paying and permanent jobs located right here in the United States." In addition, his commitment and dedication to the United States Merchant Marine Academy is exemplary.

Congressman Young's view of our nation's merchant marine and his vision for it was shaped early in life. As a teenager during World War II, he witnessed firsthand the role a strong merchant marine plays in the defense of freedom. He recognized that the merchant mariners and their ships were truly the lifeblood of Europe and the Allied forces. That lesson has stayed with him to this day as his appreciation of the critical role of commercial maritime operations plays in times of peace.